

plans by the Department, the Secretary shall promptly report the application to the Board of Public Works, together with the Secretary's recommendation that the Board make funds available as provided in this Act.

(6) (a) Before the Department approves any project, the applicant shall file with the Department:

(i) A statement listing the personnel employed or to be employed at the facility and showing all remuneration and perquisites for personal services and all other expenses paid or to be paid to these personnel, as well as all other expenses incurred or to be incurred in operating the facility; and

(ii) The schedule of rates charged or to be charged for services rendered.

(b) Before the Department approves any project, the Secretary of Health and Mental Hygiene shall have adopted regulations to carry out this Act and previous or subsequent acts for the same purposes. Among other things, these regulations shall provide for certified annual financial statements from each facility and may provide for other reports. For each facility, this information shall be required annually for at least the term of the bonds used to finance any project at that facility.

(7) The allocation and use of State funds under this Act are subject to the following terms and conditions:

(a) State funds may be used only for the construction, acquisition, renovation, and equipping of facilities, including reports, plans, specifications, site improvements, surveys, and programs in connection therewith.

(b) (i) Any federal grant that is available for the purpose shall be applied first to the cost of construction, acquisition, renovation, or equipping of a facility.

(ii) A State grant shall provide up to 50 percent of the eligible cost remaining after the federal grant has been applied.

(iii) For projects designated under federal regulations, State plans, or the departmental regulations provided for by Section (6)(b) of this Act as eligible for poverty area funding, State grants shall amount to up to 75 percent of the eligible cost remaining after the federal grant has been applied.

(iv) For purposes of this Act, community development block grant funds shall be considered as local matching funds and may not be considered as federal funds.